

1 gave in September of this year in this case?

2 A I looked at about two pages of it and, frankly,
3 put it down.

4 Q So you did not read the deposition in its
5 entirety?

6 MS. SCHMELTZER: If I may just say for the record,
7 Your Honor, Mr. Sackley did not receive the deposition, a
8 copy of the transcript of that deposition, until late
9 yesterday.

10 BY MR. JOHNSON:

11 Q I was not being critical, Mr. Sackley. I just
12 wanted to know if you read it before you came.

13 A I looked at a couple of pages and put it down.

14 Q Okay. Let me just ask you directly, Mr. Sackley.
15 As you sit here today, I take it you do not have any
16 personal agenda with your testimony here today? You are not
17 trying to accomplish a particular thing?

18 A We've settled with Dave, and I think we're able to
19 put that behind us. Our company has been sold, and I'm
20 employed by someone else who would rather have me at work
21 today than here.

22 Q Just to be specific about it, I take it you do not
23 have anything personal against Mr. Dille? You are not
24 sitting here today trying to hurt Mr. Dille?

25 A No, sir.

1 Q With that in mind, if your truthful testimony is
2 harmful to Mr. Dille or Mr. Hicks, that is not your
3 responsibility, that is not your goal, but that is the way
4 it is? I take it that is your view about it?

5 A I'm here to tell the truth about what I know.

6 Q By the same token, if your testimony here today at
7 the end of the day actually corroborates what will later in
8 this case be the testimony of Mr. Dille and Mr. Hicks, that
9 is okay with you, too?

10 A That would be fine.

11 Q I take it we have your word that you have not and
12 you will not try and shade your testimony in any particular
13 way?

14 A You have my word.

15 Q Now, in response to questions from Mr. Shook this
16 morning about the January 28, 1994, board meeting, you
17 described Mr. Hicks as acting as, and I am going to use your
18 word here, a shill in that transaction. Do you remember
19 saying that?

20 A Yes, I do.

21 Q I take it you did not mean to suggest to us that
22 Mr. Hicks or Mr. Brown used that word to describe his
23 involvement?

24 A No. No. That was my descriptive term.

25 Q That was your word, not theirs?

1 A That's correct.

2 Q I would like to focus your attention, if I could,
3 on that first meeting with Mr. Dille sometime in the first
4 week of September of 1993. I apologize if you have told us
5 some of this before. I am sure you have. I think you told
6 us it was a purely chance encounter, correct?

7 A Correct.

8 Q How would you describe its duration? How long did
9 it last?

10 A A minute. Two minutes tops.

11 Q It seemed insignificant to you at the time? Would
12 it be fair to say that other than your knowing who Mr. Dille
13 was by seeing him from a distance at conventions, you had
14 never spoken to each other before?

15 A I don't recall ever having had a conversation with
16 him, no, but I had heard him speak.

17 Q Okay. So at least in terms of your personal
18 acquaintance with Mr. Dille, you were in a sense perfect
19 strangers when you saw him on that day?

20 A Apparently we had someone in common, the fact that
21 he was there with Dave. I don't know what -- we may not
22 have been personally acquainted, but I'm sure there are many
23 people that we come in contact with that through
24 intermediaries know a lot more about us than we think they
25 know.

1 Q For example, you know Mr. Dille and I know Mr.
2 Dille, but you and I, until we met today, were perfect
3 strangers, were we not?

4 A That's correct, but I don't know what Mr. Dille
5 told you about me.

6 Q Nor I the opposite. I assure you.

7 A Okay.

8 Q You did not have with him the kind of relationship
9 in September of 1993 where you would have expected him to
10 tell you something that he regarded as confidential?

11 A I don't know what standards Mr. Dille has for
12 conversation with strangers or third parties.

13 Q But my question was about your expectation based
14 on your relationship with him. Did you have a relationship
15 with him where you would have expected him to tell you
16 something confidential?

17 A I had no relationship with him, and I had no
18 expectations whatsoever on which to base an answer to your
19 question.

20 Q Since you had no relationship with him, would you
21 have told him something confidential?

22 A I don't -- I wouldn't have done it, no.

23 Q Okay. And you have no reason to think that he
24 would have told you something confidential on that day? Is
25 that not correct?

1 A I have no idea why he said what he said.

2 Q Did it seem to you as he said it that he was
3 telling you something that was secret or confidential?

4 A I have no idea what Mr. Dille's intentions or his
5 feelings about it. To me, it was casual conversation.

6 Q Because you cannot know what he felt, that is why
7 I asked you what it seemed to you.

8 A It seemed as accidental conversation that took
9 place that wasn't planned.

10 Q Did it seem --

11 A It was triggered by me saying so what brings you
12 to Kalamazoo.

13 Q Did he seem furtive in any respect?

14 A I've got a pretty good vocabulary, but I don't
15 know what furtive means.

16 Q Did it seem to you like he was telling you a
17 secret?

18 A I don't think it was a secret, no.

19 Q Was he telling you something that he in words or
20 substance or body language conveyed to you that he did not
21 want you to tell to anyone else?

22 A I don't recall any body language or anything that
23 I would pick up those cues from.

24 Q Let me, Mr. Sackley, ask you some questions, if I
25 can, about your understanding of the structure of the WRBR

1 transaction involving Mr. Hicks and Mr. Dille's children.

2 I take it either in early September or in late
3 September of 1993 you learned certain things about that
4 transaction. For example, I take it at sometime in the
5 September, 1993, time period you learned that Mr. Dille had
6 himself wanted to purchase WRBR. Is that not correct?

7 A Yes.

8 Q And sometime in that time period, roughly
9 September of 1993, you learned that he was unable to do that
10 because it would require a waiver of the Commission's rules,
11 which could not be obtained quickly. Is that a fair
12 statement?

13 A I don't think he was unable to. I think that was
14 a condition imposed by the seller.

15 Q As a result of that condition, Mr. Dille was not
16 able to purchase WRBR?

17 A That's strictly hearsay, but that's what I heard.

18 Q That was your understanding?

19 A Correct.

20 Q And I take it somewhere in this point in time you
21 became aware of a JSA or a joint sales agreement between Mr.
22 Booth's station and Mr. Dille's station? Is that correct?

23 A That's correct.

24 Q And you became aware through one source or another
25 in this same time period of Mr. Dille's desire to preserve

1 that JSA, correct?

2 A That's correct.

3 Q I think you told us that you became aware in this
4 time period that Mr. Dille's children were going to be
5 involved with Mr. Hicks in the acquisition of the station?

6 A That's correct.

7 Q I am not certain, so be clear with me on this, but
8 I think that you testified that you knew throughout that Mr.
9 Dille had a desire either for his children or for himself to
10 purchase WRBR at some point in the future if that became
11 possible. Is that a fair statement?

12 A That's correct.

13 Q There is nothing wrong with any of that, is there,
14 Mr. Sackley?

15 A No, sir.

16 Q I think in your deposition we asked you some of
17 these questions, and you told us it was a perfectly sensible
18 deal structure, correct?

19 A That's correct.

20 Q And you said you could understand how a man in the
21 broadcast industry might want to see if he can get his
22 children involved in that industry as well? I think you
23 told us you could understand that?

24 A Yes.

25 Q And I think you even went so far as to say and I

1 think you told us you could understand how he would want to
2 preserve the joint sales agreement. Fair statement?

3 A Yes.

4 Q Did you not go so far as to say that if you were
5 in Mr. Dille's position that you might have structured the
6 deal in the same way?

7 A Correct, if I said that. I believe I did, yes.

8 Q As you sit here today, do you feel differently
9 about it?

10 A No, I don't.

11 Q So as you learned about this deal structure that
12 we have just described in September of 1993, it is fair to
13 say, is it not, that you did not think there was anything
14 wrong with the structure?

15 A I guess maybe we should define structure. If the
16 structure is preserving the JSA with John's children
17 involved and Dave Hicks involved, there's nothing wrong with
18 that structure, you know, at face value on the surface, no.

19 Q You told us in the deposition, and I just want to
20 be sure it is still your view today, that the only thing
21 that is conceivably wrong with it is whether or not it had
22 to be disclosed in the application, correct?

23 A That's pretty broad. There are many elements in
24 the application that we got into about financing, future
25 ownership, day to day operation, but, yes, I think it's fair

1 to say that the application, when it calls for supporting
2 documentation, if it's filed and all that stuff is there
3 then the decision process is transferred.

4 Then the Commission gets to decide whether these
5 things are appropriate, as opposed to having the applicant
6 decide if they're appropriate and withholding information,
7 if that is what an applicant might do.

8 Q Fair enough. That is precisely the point. As you
9 sit here today, I just want to make sure that we have your
10 view of what you thought back then.

11 Based on everything you knew, there was not
12 anything wrong or illegal or nefarious about what they were
13 planning to do, as you understood it. You just believed it
14 needed to be disclosed?

15 A We also believed that yes, it needed to be
16 disclosed, and for the protection of our licenses and our
17 company we insisted that this whole deal be reviewed by a
18 third party and it be scrutinized independently so that we
19 could get on with our business.

20 Q I understand that, but as it relates to what you
21 thought about as you understood what Mr. Dille and Mr. Hicks
22 were proposing to do, if it had all been disclosed there
23 just would not have been a problem as far as your
24 understanding of what the FCC would have wanted?

25 A Had it all been disclosed -- well, I guess you're

1 loading a bunch of stuff in there. From my perspective, it
2 wasn't all disclosed.

3 Q I understand that, and that is part of why we are
4 here, but let's separate that out because that is a point of
5 different contention. You do not have a dog in that fight.
6 I understand that.

7 Let's talk about what you thought at the time
8 about the structure. Anything wrong with it?

9 A No, sir.

10 Q Let me ask you to focus. Excuse me a second.

11 (Pause.)

12 Q In your meeting with Mr. Dille, I think you said
13 this morning or you may have said this afternoon in response
14 to my questions that you remember the concept that was
15 discussed and some of the words. Is that a fair
16 characterization of your recollection?

17 A That's correct.

18 Q The concept that was discussed is that Dave was
19 going to help acquire WRBR. Is that correct?

20 A Correct.

21 Q You do not mean to say that you remember those
22 precise words, but rather that that was the concept, right?

23 A No. I don't know what's in your head. I can't
24 respond to that because maybe I'm putting more into your
25 question than maybe what you're asking.

1 Q Yes. Do not give me too much credit.

2 A All right.

3 Q I am just asking if you remember the precise words
4 or whether you remember the concept being conveyed, even
5 though it might have been conveyed with other words.

6 A I remember the concept being conveyed that helping
7 him out meant that he was going to acquire the license for
8 the station until such time as he, John, could acquire it
9 himself. He was going to hold onto it. That's my
10 paraphrasing.

11 Q Okay. Is it possible that the words that were
12 used to express that were words different than that? Might
13 he have said, for example, Dave is going to help us acquire
14 WRBR? Might it have been something like that?

15 MS. SCHMELTZER: Anything is possible, Your Honor.
16 I object.

17 JUDGE CHACHKIN: Overruled.

18 BY MR. JOHNSON:

19 Q You can answer, Mr. Sackley.

20 A My specific recollection about that was John, what
21 brings you to Kalamazoo, was my opening. The response was
22 Dave is going to help me out in South Bend, and he's going
23 to hold onto this until we can acquire it. That's my
24 recollection.

25 Q Is it possible that what Mr. Dille said is that

1 Dave was going to buy the station with his children?

2 A That would essentially be included in what I just
3 said.

4 Q I am not quarreling about the meaning. I am just
5 saying is it possible that it was expressed in those words?

6 A I knew it was Dave. I knew it was his children.
7 I knew they were going to buy it, and I knew they had an
8 interest in it and wanted to own it at some point in the
9 future. That was what I took away from that conversation.

10 Q In whatever words he might have expressed that,
11 that's what you took away from the conversation?

12 A Right, and you are correct. That was September of
13 1993. That was over five years ago.

14 Q Let me ask you. Strike that, Your Honor. My
15 apologies.

16 This morning you testified in response to a
17 question from Mr. Shook that in this first meeting with Mr.
18 Dille, he stated to you that he would acquire or hoped to
19 acquire, aspired to acquire, the station back from Mr. Hicks
20 at some time in the future. Do I remember you saying that?

21 A I don't remember. You are saying some question of
22 Mr. Shook?

23 Q Well, the question is not important. In the first
24 meeting with Mr. Dille, did Mr. Dille express to you at that
25 time a hope that he or his children could acquire the

1 station back from Mr. Hicks in the future?

2 A I believe that's what I just said to you just a
3 minute ago, but yes.

4 Q And I am --

5 A When you say acquire it back from, at that point
6 the transaction was many months away. He didn't have it
7 yet, but --

8 Q Agreed.

9 A Yes. The intention was that at some point Dave
10 would no longer be involved, and he and/or his children
11 would be.

12 That's what triggered the discussion at the
13 September board meeting, and that's why the caption on the
14 agenda says outside ownership or quasi ownership of a
15 broadcast station and why the agenda item says that there's
16 a proposed subsequent transfer to a third party.

17 Q Yes.

18 A Remember, that's less than four weeks after this
19 meeting took place.

20 Q Got you. Got you. As you sit here today, are you
21 clear in your own mind that Mr. Dille said that to you in
22 that first meeting?

23 A Yes, I am.

24 Q Okay. Could I ask you to turn to your affidavit?
25 In particular, could I ask you to read out loud, if you do

1 not mind, Paragraph 7 of that affidavit?

2 MR. JOHNSON: Your Honor, that is Exhibit No. 23
3 in the Mass Media Bureau's exhibit book.

4 JUDGE CHACHKIN: What page is this now?

5 MR. JOHNSON: Your Honor, it is on page 3 of the
6 affidavit, which is Exhibit No. 23, and I am referring to
7 Paragraph No. 7.

8 JUDGE CHACHKIN: All right.

9 BY MR. JOHNSON:

10 Q Mr. Sackley, just for the benefit of those who may
11 not have it, could I ask you to read that entire paragraph
12 out loud?

13 JUDGE CHACHKIN: Well, we all have copies. It is
14 no longer necessary for him to read it out loud.

15 MR. JOHNSON: Okay.

16 JUDGE CHACHKIN: It is in the record. It has been
17 rejected, I should say. Since it has been rejected, I will
18 permit you to read it out loud.

19 MR. JOHNSON: Thank you, Your Honor.

20 THE WITNESS: "I first learned from John Dille in
21 a brief encounter at the Crystal offices prior to
22 September 28 that Dave Hicks was going to help him acquire
23 WRBR-FM, a South Bend, Indiana, radio station. Mr. Hicks
24 later explained to me that his friend, John Dille, already
25 owned a newspaper and other stations in the area and could

1 not acquire the South Bend license because of the Federal
2 Communications Commission cross ownership rules. Hicks
3 proposed to acquire the station on Dille's behalf and
4 transfer it to Dille at a later date."

5 BY MR. JOHNSON:

6 Q Mr. Sackley, I read this paragraph to say that you
7 learned sometime after your conversation with Mr. Dille
8 that, to use your words, Hicks proposed to acquire the
9 station on Dille's behalf and transfer it to Dille at a
10 later date. Is it possible that you learned that later and
11 not in that first meeting with Mr. Dille?

12 A No.

13 Q No, it is not possible?

14 A That's not what the triggering event caused me to
15 recall at the time that set us up for that board meeting.

16 Q So your recollection today is different from your
17 recollection in Paragraph 7 of your affidavit?

18 A I don't know where you're seeing that it's
19 different.

20 Q Well, in the first sentence of the paragraph you
21 describe your conversation with Mr. Dille, right?

22 A Correct.

23 Q He said that Dave Hicks was going to help him
24 acquire WRBR-FM, a South Bend, Indiana, station. In the
25 next sentence you say Mr. Hicks later, presuming I believe

1 later in time, explained to you that his friend, John Dille,
2 already owned a newspaper and other stations in the area and
3 would not acquire the South Bend license because of FCC
4 cross ownership rules.

5 A Right.

6 Q Then it says that Hicks proposed to acquire this
7 station on Dille's behalf and transfer it to Dille at a
8 later date.

9 A Right.

10 Q Does that not mean to you that you learned that
11 later in time after your first conversation with Mr. Dille?

12 A There's a period after cross ownership rules. If
13 this paragraph is supposed to establish a chronology, the
14 final sentence does not necessarily get tied with the Hicks
15 later explained to me.

16 I think that's your interpretation. It would not
17 be mine. I understood from that initial encounter that that
18 was the plan.

19 Q Your interpretation here is that this last
20 sentence relates back to the initial encounter with Mr.
21 Dille and not to the sentence the precedes it that Mr. Hicks
22 explained it to you later?

23 A You are asking to establish a relationship between
24 Sentence 2 and Sentence 3, focusing on the later explained
25 and placing a chronology so that Sentence 3 must be

1 something that happened later.

2 When this affidavit was put in place, I don't
3 believe that I was thinking about chronology. It is clear
4 from my first meeting with Mr. Dille and Mr. Hicks that the
5 proposal to acquire the station and transfer it at a later
6 date was established at that meeting because if this
7 sentence had been the second sentence in the paragraph,
8 maybe you wouldn't have asked me that question. It's
9 probably just the placement in the paragraph.

10 My recollection still is, as I said, that was
11 disclosed to me at that meeting, and it was done very matter
12 of factly that --

13 Q When was it disclosed to you?

14 JUDGE CHACKIN: Are you finished? Go ahead?

15 MR. JOHNSON: I am sorry.

16 THE WITNESS: It was not inconsistent with the
17 explanation of why are you here? What brings you to
18 Kalamazoo?

19 BY MR. JOHNSON:

20 Q You do agree with me that Paragraph 7 explains
21 that you learned later that Mr. Dille owned a newspaper and
22 other stations in the area and could not acquire the South
23 Bend license? You at least agree with your statement there
24 that you did not learn that in the initial meeting with Mr.
25 Dille?

1 A No. I'm not saying what you're saying here.

2 Q Mr. Hicks later explained to me --

3 A Explained. Go ahead.

4 Q You are with me. Go ahead.

5 A Later explained does not say that I later learned
6 this. Hicks had -- you know, Dave had to explain a lot of
7 things, and Dave went into detail, and Ric Brown went into
8 detail.

9 This triggering event was words that came out of
10 John's mouth that caused me to have some concern and place
11 into effect some discussions designed to ferret this thing
12 out and determine just what we had going on here.

13 Q Mr. Sackley, I confess. I am really confused now.
14 Is it your testimony now that you learned all of these
15 things in your first meeting with Mr. Dille?

16 A No. You're --

17 Q What did you learn then, and what did you learn
18 later? That is all I am asking you.

19 A I am going to take a deep breath and wait a few
20 seconds because I understand what you're trying to do here.
21 I have testified numerous times. It's in sworn statements,
22 affidavits, depositions, you name it, what took place.

23 I'm also acknowledging, as I did to Mr. Guzman,
24 that I've learned a lot in the last four years. It is not
25 possible for me to tell you when all of these things came

1 into play. They're all up in one place here.

2 The meeting with Mr. Dille. I came away from that
3 with a very clear understanding that Dave Hicks was going to
4 accommodate his needs and interests in acquiring South Bend
5 with the understanding that at some subsequent time that
6 property would be transferred to Mr. Dille and/or his
7 children and that Dave Hicks was purely doing this as an
8 accommodation to Mr. Dille and for no other reason.

9 That was emphasized and amplified at the board
10 meeting that took place on September 28 out of Dave's mouth
11 and the mouth of Ric Brown, his attorney.

12 Q Okay. Good. Let me just see if I can understand,
13 therefore, what you said in your first sworn statement
14 because you are right. There have been a number of them,
15 but I think we have established this with the first one.

16 The second sentence says, "Mr. Hicks later
17 explained to me that his friend, John Dille, already owned a
18 newspaper and other stations in the area and could not
19 acquire the South Bend license because of the Federal
20 Communications Commission cross ownership rules."

21 My question is simple. Did you learn that in the
22 conversation with Mr. Dille, or did you learn that later?

23 A I think as I testified in the deposition, I don't
24 know whether the discussion of cross ownership rules and the
25 prohibition came up there or not. I may very well have said

1 in a statement prior that we had that discussion about that
2 at that time.

3 Take that away from me and strip it all off,
4 whatever you want to do. All I was taking away from this is
5 that Dave was going to be involved in a transfer, and it was
6 not a transfer to benefit him. It was a transfer to benefit
7 someone else.

8 Q You testified about the words, and some of the
9 words in that first encounter may have been, as you told us
10 earlier, Dave is going to buy this with my kids, correct?

11 A That's what you said. It wasn't presented in that
12 way, but --

13 Q It was not? I thought you told me earlier that it
14 possibly was.

15 A You said Dave is going to buy this with my kids.
16 That wasn't -- those weren't -- I've already told you. Dave
17 is helping me out. He's going to buy this. This is
18 something I already testified took a minute or two. These
19 discussions subsequent to that meeting took far more time
20 than the initial meeting with Mr. Dille.

21 All I can do is say to the best of my recollection
22 what triggered this whole process here was that someone
23 walked into my office that I had no expectation to see and
24 said some things that started this whole ball rolling. I
25 daresay that if he'd never walked in the office, we wouldn't

1 have heard about this at all until after the application had
2 been filed because Dave may not have said anything to us at
3 all because he could have done this without the corporation
4 being involved.

5 Q Let me --

6 A That was a situation not of my choosing, and I'm
7 willing to sit here and talk about this yet again, but if
8 you'd please understand that all I needed to have was an
9 indication that something was jeopardizing the licenses of
10 my radio stations and that one of our owners may be putting
11 our licenses at risk.

12 Q If you --

13 A My responsibility to my shareholders was to put in
14 action some steps designed to determine whether or not this
15 would have an impact on us, and that's what I did.

16 Q Mr. Sackley, you do not mean to tell us that you
17 thought in September of 1993 that one of your owners was
18 going to put your license at risk?

19 A Yes.

20 Q You testified earlier there was no problem with
21 the structure of the transaction, right?

22 A The structure. You haven't defined structure.

23 Q We talked about that, right? You and I just
24 talked about that a few minutes ago.

25 A Correct.

1 Q You told us that the problem was disclosure,
2 correct?

3 A You're putting -- that was a problem, not the
4 problem.

5 Q All right.

6 A The problem was that Dave had told us that he was
7 putting no money in. He told us that he was going to have
8 nothing to do with running it from day to day. He told us
9 John Dille was going to be backing him up financially and
10 that this was being done to accommodate Mr. Dille and for no
11 other purpose.

12 Q That is the structure of the transaction as you
13 understood it?

14 A Again, if this was a lawsuit we'd be sitting here
15 with pages and pages of definitions. What you're calling
16 structure, can you have a situation where Dave owns 51 and
17 the kids own 49? Of course you can. Can you have a joint
18 sales agreement with that? I guess if they have a
19 non-voting interest and you don't get the attribution, I
20 guess you can do that. You're the FCC attorney, not me.

21 What raised a red flag for me was Dave was
22 indicating that this was going to be done without his money,
23 without his participation, and he was doing this as an
24 accommodation, and he was doing this solely for the purpose
25 of holding onto this so that John could get it in the

1 future.

2 That was a -- I'll throw this out the first time
3 out of my lips today. It became a real party in interest
4 issue, and that's what --

5 Q And you thought it was a real party in interest
6 issue in September of 1993?

7 A I said yes, sir.

8 Q All right. That is not what you told us in your
9 deposition. Let me help you. Maybe this will help.

10 MR. JOHNSON: Counsel, I am referring to page 152,
11 Line 10.

12 BY MR. JOHNSON:

13 Q The question is:

14 "Q When Mr. Dille told you in September at this
15 chance meeting what you have described in the conversation,
16 what you have described that he told you, in your opinion,
17 was that something that needed to be disclosed on an
18 Application Form 314?"

19 Do you remember that question?

20 A Keep reading.

21 Q Okay. Here is your answer.

22 "A Well, I..." --

23 MS. SCHMELTZER: If counsel can show the witness,
24 please?

25 MR. JOHNSON: Sure.

1 MS. SCHMELTZER: Which deposition is this?

2 MR. JOHNSON: The deposition in this case given
3 last month.

4 MS. SCHMELTZER: And where are you?

5 MR. JOHNSON: Page 152, the question beginning at
6 Line 10.

7 BY MR. JOHNSON:

8 Q Do you see where I am reading from, Mr. Sackley?

9 A Yes.

10 Q Do you see the question that refers to your
11 September conversation with Mr. Dille, correct?

12 A Okay.

13 JUDGE CHACHKIN: Read the question.

14 MR. JOHNSON: I will be happy to read it, Your
15 Honor.

16 BY MR. JOHNSON:

17 Q It says:

18 "Q When Mr. Dille told you in September at this
19 chance meeting what you have described in the conversation,
20 what you have described that he told you, in your opinion,
21 was that something that needed to be disclosed on an
22 Application Form 314?"

23 Then in your answer you say:

24 "A Well, I'd say yes. Was that still the
25 understanding at the time the thing was filed? I mean, from

1 September to December many things could have changed. I
2 mean, that could have been the expression of the deal at any
3 time.

4 "For all you know, in December they could have
5 filed it with Dave Hicks with 100 percent owner. The kids
6 were not involved. I mean, that's really the only reason
7 for the inquiry was because we had raised -- the question
8 had been raised in my mind."

9 This is the point I want to draw your attention to
10 Mr. Sackley. "Again, with what he said there was absolutely
11 nothing wrong with what he said. It's simply the
12 disclosure."

13 A Correct.

14 Q I am asking you if that is your view? Is that an
15 accurate statement?

16 A Yes, it is.

17 Q There was nothing wrong with what Mr. Dille had
18 said to you? It was simply the disclosure, correct?

19 A Sure. You could look at it that way, yes.

20 Q Well, do you look at it that way? I do, but do
21 you look at it that way? That is what you said.

22 A Many months had passed. The information that we
23 had at the time was, conveyed by Mr. Hicks and by Mr. Brown,
24 that there were real party in interest questions.

25 Q But I am focusing and I have been focusing

1 throughout on September of 1993.

2 A Right.

3 Q And you told us you thought there was an FCC issue
4 in September of 1993?

5 A That's correct.

6 Q And that issue was disclosure, right?

7 A No. Disclosure is something that would serve the
8 Commission, not serve me. With no application filed,
9 there's no causative action.

10 Q There is nothing to disclose in September of 1993,
11 is there?

12 A Nothing had been filed, so what could be
13 disclosed?

14 Q There was no deal, no agreement, no options, no
15 nothing?

16 A There was understandings as conveyed by Mr. Hicks
17 and by Mr. Brown to our board of directors telling us
18 exactly what the deal was and what was going to happen.

19 Q Mr. Sackley, with all due respect, we are talking
20 about what you perceived to be the FCC problem.

21 MS. SCHMELTZER: Your Honor, I am going to object.
22 I think he has been over this.

23 JUDGE CHACHKIN: Overruled. Go ahead.

24 BY MR. JOHNSON:

25 Q You told us now that in September of 1993, based

1 on what you heard from Mr. Dille and Mr. Hicks, you
2 perceived that there was an FCC problem. Am I right so far?

3 A That's correct.

4 Q And we have just read your deposition description
5 of what you perceived that problem to be. Those were your
6 words, not mine. Did we read it right?

7 A Correct.

8 Q And you agree with it here today?

9 A Disclosure was the issue. Had everything that had
10 been offered up been disclosed.

11 Q No problem?

12 A I'm not saying there was no problem. If I were
13 the Commission staff, I guess I would look at it and say
14 wait a minute. You're getting money from somebody else.
15 You're not going to run it yourself. You're going to do all
16 these things.

17 Q But that is beside the point.

18 A Well, you asked me.

19 Q You do not care, do you, in September of 1993
20 whether the FCC grants or denies his application? You do
21 not have an interest in that. Your problem was the FCC
22 problem was what?

23 A My problem was that if he went ahead with the deal
24 as he discussed it in our board meeting and that transaction
25 was approved, if the FCC approved it knowing everything,

1 then I'm fine.

2 Q So we come back to the point. In September of
3 1993, your concern had to have been about disclosure, right?

4 A No. It was more than that at that time because
5 there was no FCC application.

6 You can keep flipping back the pages. I
7 understand how this process works.

8 Q The way it works, Mr. Sackley, is I find your
9 words that you swore under oath and ask you what you meant
10 by them. I am going to ask you what you meant when you said
11 it is simply disclosure.

12 A This was a question in this deposition.

13 Q It was.

14 A Okay.

15 Q And an answer.

16 A That is correct.

17 Q What did you mean? There was nothing wrong with
18 what he said. It's simply disclosure.

19 A It comes down to the disclosure issue for the
20 Commission. It was far more than a disclosure issue for us
21 because we were going to have to deal with the impact of
22 disclosure or non-disclosure.

23 At that point in time, it looked like there was
24 going to be non-disclosure because we were told they do this
25 every day, there's no problem with it, and that went

1 contrary to what my impression and interpretation of FCC
2 rules is.

3 You've got to tell people who's in charge, who's
4 putting up the money, who's in control, who's really running
5 the place and any understanding they have regarding future
6 ownership.

7 Q Are you suggesting here today that you discussed
8 in September of 1993 what would be disclosed on that
9 application?

10 A No, sir.

11 Q So when you say it looked like there was going to
12 be non-disclosure, that was not based on anything anyone
13 said to you. Is that not correct?

14 A What Ric Brown and Dave Hicks said was this is
15 done all the time. There's no problem with this, but they
16 were still describing a situation where someone else, where
17 Mr. Dille, the person -- the general rule is if you can't
18 own it, you can't program it. That's what they used to say.
19 That's why JSAs worked because it was sales only.

20 Dave was describing a situation whereby John Dille
21 would be putting up all of the money. He would be
22 responsible for all of the operation, and he was going ahead
23 with this and saying it's done every day, and we're
24 proceeding with this deal. This is long before an
25 application is filed.